## Testimony of Catherine Foley and Ted Faraci Owners, Gilmore Manor RCH

Re: H.B. No. 6439- AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH, 2023, AND MAKING APPROPRIATIONS THEREFOR.

Concerning

Department of Social Services Budget- Residential Care Home Funding Appropriations Subcommittee on Human Services Public Hearing, March 3, 2021

Senator Osten, Representative Walker and Members of the Appropriations Subcommittee on Human Services, thank you for the opportunity to offer testimony on the Department of Social Services Budget related to Residential Care Home Funding.

Our names are Catherine Foley and Ted Faraci. We are writing today to ask for financial help in continuing to run our facility, Gilmore Manor, a 22 bed residential care home located in Glastonbury, where we care for chronically disabled adults. We find it harder and harder to provide quality care to this vulnerable population. We are struggling to keep up with inflation, with virtually every aspect of our operation.

After a challenging and traumatic 2 years with COVID-19, we lost almost 50% of our staff. Many were burned out, changed careers or left for more money and benefits. Consequently, we have had to offer much higher wages to attract and retain staff. Our payroll alone has gone up approximately 25% over the past 2 years. Meanwhile, fuel oil, electricity, food, housekeeping supplies, utilities, insurance, etc., all continue to rise.

Other than securing a PPP loan at the onset of COVID-19, we have not received any targeted federal funding to alleviate the devastating effects of the pandemic on our business. As a health care provider, our risks, obligations and potential for outbreaks is much higher than most other types of businesses. We never closed or had the luxury of allowing employees to work from home.

We are leery of the current proposal to enable residential care homes to bill Medicaid. While it acknowledges the need for higher rates, it cuts money out of the state budget that has been dedicated to residential care homes. Becoming a Medicaid provider is a significant change to our model of care. We believe it is not a well thought out proposal and will likely leave us in worse financial shape than we already are.

We provide a critical service for the state and care for some of the most vulnerable people. We do this for a low cost of \$77 - \$80 per resident per day to the state. Our home and other residential care homes throughout the state have had to get by with rates failing to keep up with costs and yet we serve as the safety net for many people with mental health diagnoses and substance abuse issues. Unlike other providers, our residents are almost all state funded limiting our ability to cost shift and make up for low rates.

With the trajectory we are headed on, we will not be able to sustain operations very much longer. We operate on a very thin margin and need help now. This is true for the entire RCH industry. Many will fail to keep up in this environment. It is time to act now, if there is any hope for saving our industry.

We hope you hear us, with all due respect.

Catherine Foley and Ted Faraci

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